applicable from the assessment year 2004-2005.

(c) The format of the Annual Information Return and the details of the financial transactions are yet to be prescribed.

Disclosure of financial statements by banks

1708. SHRI K. RAMA MOHAN A RAO:
SHRI RAMA MUNI REDDY SIRIGIREDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has asked all banks to prepare and disclose consolidated financial statement from the fiscal commencing April, 2002;

(b) if so, the reasons for such a decision;

(c) in what manner it would help the bank administration and customers;

(d) whether Government have found any loophole in the present dispensation of submitting solo financial statement; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Yes, Sir. Reserve Bank of India has issued guidelines to all scheduled commercial banks (excluding RRBs & Local Area Banks) for consolidated accounting and other quantitative methods to facilitate consolidated supervision. The present guidelines on consolidated accounting has been issued to present overall evaluation (qualitative as well as quantitative) of the strength of a Group to which a bank belongs. The main objective is to assess the potential impact of other Group companies on the bank. Therefore, it is a group wide approach to supervision where all risks run by a banking group are taken into account in totality.

(d) No, Sir.

(e) Does not arise.